

Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 STRE-00 ITC-01 AGRE-00
CIAE-00 COME-00 INR-07 LAB-04 NSAE-00 EPG-02
SP-02 STR-04 TRSE-00 FRB-03 OMB-01 SS-15 NSC-05
L-03 H-01 SSO-00 NSCE-00 INRE-00 PRS-01 /064 W
-----141630Z 003564 /41

O 141605Z MAY 77

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC IMMEDIATE 3563

LIMITED OFFICIAL USE SECTION 1 OF 5 TAIPEI 2806

PASS STR ELECTRONICALLY

E.O. 11652: N/A

TAGS: ETRD, TW

SUBJECT: NON-RUBBER FOOTWEAR OMA WITH THE REPUBLIC OF CHINA

BELOW IS TEXT OF OMA ON NON-RUBBER FOOTWEAR WITH THE GOVERN-
MENT OF THE REPUBLIC OF CHINA INITIATED MAY 14 BY S. LANDE
AND Y. T. WONG. AGREEMENT IS SUBJECT TO APPROVAL OF THE
TWO GOVERNMENTS AND TO OFFICIAL EXCHANGE OF NOTES EMBODYING
THE TEXT.

BEGIN TEXT

1. THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL ADMINISTER
ITS CONTROL OVER EXPORTS TO THE UNITED STATES FROM THE REPUBLIC
OF CHINA OF NON-RUBBER FOOTWEAR AS DEFINED IN ANNEX A (HEREIN-
AFTER REFERRED TO AS "NON-RUBBER FOOTWEAR"), AT THE LEVELS SET
FORTH IN ANNEX B, FOR THE PERIOD FROM JUNE 28, 1977, THROUGH
JUNE 30, 1978, AND THEREAFTER FROM JULY 1, 1978 THROUGH JUNE 30,
1981.

2. THE GOVERNMENT OF THE UNITED STATES WILL ASSIST THE
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REPUBLIC OF CHINA IN IMPLEMENTING ITS CONTROL OVER EXPORTS OF
NON-RUBBER FOOTWEAR TO THE UNITED STATES AT THE LEVELS SET
FORTH IN ANNEX B AS FOLLOWS:

(A) ALL NON-RUBBER FOOTWEAR ARTICLES EXPORTED FROM
THE REPUBLIC OF CHINA TO THE UNITED STATES ON OR AFTER
JUNE 28, 1977, WILL BE COUNTED AGAINST THE RESTRAINT LEVELS

APPLICABLE TO THE RESTRAINT PERIOD IN WHICH THEY ARE EXPORTED.

(B) EXCEPT AS PROVIDED IN PARAGRAPHS 4 AND 5, IN THE EVENT THAT THE RESTRAINT LEVELS SET FORTH IN ANNEX B ARE REACHED FOR ANY CATEGORY PRIOR TO THE END OF A RESTRAINT PERIOD, THE GOVERNMENT OF THE UNITED STATES WILL DELAY FURTHER IMPORTATION IN THE CATEGORIES AFFECTED UNTIL AFTER THE END OF THAT RESTRAINT PERIOD.

(C) ALL NON-RUBBER FOOTWEAR ARTICLES EXPORTED FROM THE REPUBLIC OF CHINA ON OR AFTER JUNE 28, 1977, WILL BE DENIED IMPORTATION FOR CONSUMPTION BY THE UNITED STATES UNLESS SUCH ARTICLES HAVE BEEN ISSUED AN EXPORT VISA BY THE GOVERNMENT OF THE REPUBLIC OF CHINA.

(D) (I) ALL NON-RUBBER FOOTWEAR ARTICLES EXPORTED FROM THE REPUBLIC OF CHINA THAT ARE IN BONDED WAREHOUSES AS OF MAY 14, 1977, MAY BE WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION ON OR BEFORE THE 20TH DAY FOLLOWING THE DATE OF PUBLICATION OF THE AGREEMENT EMBODIED IN THESE NOTES. THEREAFTER, SUCH ARTICLES MAY BE WITHDRAWN FROM WAREHOUSE FOR CONSUMPTION ONLY IF THEY HAVE BEEN ISSUED EXPORT VISAS BY THE GOVERNMENT OF THE REPUBLIC OF CHINA.

(II) ALL OTHER NON-RUBBER FOOTWEAR ARTICLES EXPORTED FROM THE REPUBLIC OF CHINA PRIOR TO JUNE 28, 1977, MAY BE ENTERED FOR CONSUMPTION IN THE UNITED STATES PRIOR TO SEPTEMBER 1, 1977, PROVIDED THAT ALL SUCH ARTICLES ENTERED FOR CONSUMPTION AFTER JUNE 1, 1977, IN EXCESS OF 33 MILLION LIMITED OFFICIAL USE

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PAIRS WILL BE COUNTED AGAINST THE RESTRAINT LEVELS FOR THE FIRST RESTRAINT YEAR BY PRO-RATING THEM AMONG THE CATEGORIES SPECIFIED IN ANNEX B ACCORDING TO THE PERCENTAGES OF THE TOTAL ANNUAL RESTRAINT LEVEL COMPRISED BY EACH CATEGORY.

(E) EXCEPTIONS TO THE SPECIFICATION IN SUBPARAGRAPH (A) ABOVE THAT IMPORTS ARE TO BE COUNTED AGAINST RESTRAINT LEVELS FOR THE RESTRAINT PERIOD IN WHICH THEY ARE IMPORTED MAY BE MADE IN ORDER TO (1) PERMIT IMPORTS THAT ARE EXPORTED IN ONE RESTRAINT PERIOD, BUT THAT ARE NOT IMPORTED FOR CONSUMPTION UNTIL MORE THAN 90 DAYS FOLLOWING THE BEGINNING OF THE SUBSEQUENT RESTRAINT PERIOD, TO BE COUNTED AGAINST THE RESTRAINT LEVELS FOR THAT SUBSEQUENT RESTRAINT PERIOD; AND (2) PERMIT IMPORTS THAT WERE EXPORTED IN ONE RESTRAINT PERIOD, BUT THAT WERE DENIED ENTRY IN THAT PERIOD PURSUANT TO SECTION 2 (B) OF THIS AGREEMENT, TO BE COUNTED AGAINST THE RESTRAINT LEVELS FOR THE SUBSEQUENT RESTRAINT PERIOD.

3. THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL USE ITS

BEST EFFORTS TO SPACE EXPORTS OF NON-RUBBER FOOTWEAR TO THE UNITED STATES OF AMERICA WITHIN EACH CATEGORY EVENLY THROUGHOUT THE RESTRAINT PERIOD, TAKING INTO CONSIDERATION NORMAL SEASONAL FACTORS.

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 STRE-00 ITC-01 AGRE-00
CIAE-00 COME-00 INR-07 LAB-04 NSAE-00 EPG-02
SP-02 STR-04 TRSE-00 FRB-03 OMB-01 SS-15 NSC-05
L-03 H-01 SSO-00 NSCE-00 INRE-00 PRS-01 /064 W
-----141644Z 003675 /41

O 141605Z MAY 77
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC IMMEDIATE 3564

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PASS STR ELECTRONICALLY

4. (A) IN THE EVENT A SHORTFALL OCCURS WITH RESPECT TO A RESTRAINT LEVEL FOR A CATEGORY DURING A RESTRAINT PERIOD, CARRYOVER MAY BE MADE TO THE NEXT ANNUAL RESTRAINT PERIOD OF UP TO 5 PERCENT OF THAT RESTRAINT LEVEL IN THE PREVIOUS PERIOD, BUT NOT IN EXCESS OF THE ACTUAL SHORTFALL. SHORTFALLS IN ONE CATEGORY MAY NOT BE APPLIED TO ANY OTHER CATEGORY.

(B) IF, IN ACCORDANCE WITH PARAGRAPH 5, PART OF A RESTRAINT LEVEL OF ANY CATEGORY HAS BEEN REALLOCATED TO THE RESTRAINT LEVEL OF ANOTHER CATEGORY, SUCH AMOUNT WILL NOT BE CONSIDERED A SHORTFALL AND HENCE WOULD NOT BE AVAILABLE FOR CARRYOVER.

(C) THE RESTRAINT LEVELS FOR EACH CATEGORY MAY BE EXCEEDED BY NOT MORE THAN 6 PERCENT IN ANY ONE RESTRAINT PERIOD. ANY RESTRAINT LEVEL THAT IS EXCEEDED IN ONE RESTRAINT PERIOD WILL BE REDUCED FOR THE SUBSEQUENT RESTRAINT PERIOD BY THE AMOUNT BY WHICH IT WAS EXCEEDED.

(D) SUBPARAGRAPHS (A) AND (C) MAY NOT BE USED IN
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COMBINATION TO INCREASE THE RESTRAINT LEVEL APPLICABLE TO ANY CATEGORY IN ANY RESTRAINT PERIOD BY MORE THAN 11 PERCENT.

(E) THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL PROVIDE TIMELY NOTICE TO THE GOVERNMENT OF THE UNITED STATES OF ITS INTENTION TO EXERCISE THE RIGHTS PROVIDED IN SUBPARAGRAPHS (A) OR (C) ABOVE, AND THE GOVERNMENT OF THE UNITED STATES WILL ENDEAVOR TO MAKE APPROPRIATE ADJUSTMENTS IN THE APPLICABLE RESTRAINT LEVELS.

5. (A) THE RESTRAINT LEVELS SPECIFIED IN ANNEX B FOR LEATHER FOOTWEAR AND FOR PLASTIC FOOTWEAR MAY BE EXCEEDED IN A RESTRAINT PERIOD BY NO MORE THAN 10 PERCENT OF THE TOTAL RESTRAINT LEVEL APPLICABLE TO THAT CATEGORY FOR THAT PERIOD, AND THE RESTRAINT LEVEL SPECIFIED IN ANNEX B FOR THE CATEGORY DESIGNATED "OTHER" MAY BE EXCEEDED IN A RESTRAINT PERIOD BY NO MORE THAN 15 PERCENT OF THE TOTAL RESTRAINT LEVEL APPLICABLE TO THAT CATEGORY FOR THAT PERIOD, PROVIDED THAT THE RESTRAINT LEVELS APPLICABLE TO ONE OR MORE OTHER CATEGORIES IN THE SAME RESTRAINT PERIOD ARE REDUCED BY THE SAME ABSOLUTE AMOUNT.

(B) FOLLOWING NOTIFICATION BY THE GOVERNMENT OF THE REPUBLIC OF CHINA AT THE EARLIEST POSSIBLE DATE OF ITS INTENTION CONCERNING SUBPARAGRAPH (B) ABOVE, THE GOVERNMENT OF THE UNITED STATES WILL MAKE APPROPRIATE ADJUSTMENTS OF THE APPLICABLE RESTRAINT LEVELS.

6. THE GOVERNMENT OF THE UNITED STATES WILL NOTIFY THE GOVERNMENT OF THE REPUBLIC OF CHINA AS SOON AS POSSIBLE SHOULD IT BECOME NECESSARY FOR THE GOVERNMENT OF THE UNITED STATES TO DELAY IMPORTATION IN ANY CATEGORY DUE TO FILLING OF THE APPLICABLE RESTRAINT LEVEL.

7. COMMENCING THREE MONTHS PRIOR TO THE END OF THE SECOND RESTRAINT PERIOD, AND ANNUALLY THEREAFTER, THE LIMITED OFFICIAL USE

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GOVERNMENT OF THE REPUBLIC OF CHINA AND THE GOVERNMENT OF THE UNITED STATES MAY CONSULT WITH RESPECT TO THE POSSIBILITY OF ADJUSTING UPWARD, FOR THE LATTER PART OF THE SECOND AND SUBSEQUENT RESTRAINT PERIODS, THE RESTRAINT LEVELS SPECIFIED IN ANNEX B. IN ANY CONSULTATIONS CONDUCTED PURSUANT TO THIS PARAGRAPH, THE GOVERNMENT OF THE UNITED STATES SHALL TAKE INTO ACCOUNT, INTER ALIA, THE STATE OF ITS DOMESTIC

FOOTWEAR INDUTRY.

8. THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL PROMPTLY SUPPLY THE GOVERNMENT OF THE UNITED STATES WITH DATA ON MONTHLY EXPORTS TO THE UNITED STATES OF NON-RUBBER FOOTWEAR AS SUCH DATA BECOME AVAILABLE. THE GOVERNMENT OF THE UNITED STATES WILL SUPPLY THE GOVERNMENT OF THE REPUBLIC OF CHINA WITH DATA ON MONTHLY IMPORTS OF NON-RUBBER FOOTWEAR, BY PRINCIPAL COUNTRIES OF ORIGIN, AS SUCH DATA BECOME AVAILABLE. EACH GOVERNMENT AGREES TO SUPPLY PROMPTLY ANY OTHER PERTINENT AND READILY AVAILABLE STATISTICAL DATA REQUESTED BY THE OTHER GOVERNMENT. IN ACCORANCE WITH CURRENT PRACTICE, UNITED STATES DATA WILL BE USED IN DETERMINING THE NECESSITY FOR DELAY BY THE UNITED STATES OF ANY IMPORTS PURSUANT TO THESE NOTES.

9. (A) CONSULTATIONS BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CHINA AND THE GOVERNMENT OF THE UNITED STATES WITH RESPECT TO THE IMPLEMENTATION OF THESE NOTES WILL BE HELD AT LEAST ONCE ANNUALLY.

(B) EITHER GOVERNMENT MAY REQUEST CONSULTATIONS AT ANY TIME ON ANY MATTERS ARISING FROM THE PROVISIONS OF THESE NOTES, INCLUDING, INTER ALIA, ANY PROBLEMS THAT MAY ARISE RELATING TO CIRCUMVENTIONS OF THE AGREEMENT EMBODIED IN THESE NOTES. SUCH CONSULTATIONS WILL TAKE PLACE AT A MUTUALLY CONVENIENT TIME NOT LATER THAN THIRTY DAYS FROM THE DATE ON WHICH SUCH REQUEST IS MADE, UNLESS OTHERWISE MUTUALLY AGREED.

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SP-02 STR-04 TRSE-00 FRB-03 OMB-01 SS-15 NSC-05
L-03 H-01 SSO-00 NSCE-00 INRE-00 PRS-01 /064 W
-----141659Z 003837 /41

O 141605Z MAY 77
FM AMEMBASSY TAIPEI
TO SECSTATE WASHDC IMMEDIATE 3565

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PASS STR ELECTRONICALLY

(C) MUTUALLY SATISFACTORY ADMINISTRATIVE ARRANGEMENTS OR ADJUSTMENTS MAY BE MADE TO RESOLVE PROBLEMS ARISING IN THE IMPLEMENTATION OF THESE NOTES, INCLUDING DIFFERENCES IN POINTS OF PROCEDURE OR OPERATION.

10. (A) IF THE GOVERNMENT OF THE REPUBLIC OF CHINA CONSIDERS THAT, AS A RESULT OF THE APPLICATION OF THE PROVISIONS OF THESE NOTES, THE REPUBLIC OF CHINA IS PLACED IN AN INEQUITABLE POSITION VIS-A-VIS OTHER MAJOR EXPORTING COUNTRIES IN RESPECT OF EXPORTS TO THE UNITED STATES OF NON-RUBBER FOOTWEAR, THE GOVERNMENT OF THE REPUBLIC OF CHINA MAY INITIATE CONSULTATIONS WITH THE GOVERNMENT OF THE UNITED STATES.

(B) THE GOVERNMENT OF THE UNITED STATES WILL TAKE APPROPRIATE REMEDIAL MEASURES IN THE EVENT THAT IT IS AGREED THAT UNITED STATES IMPORTS OF NON-RUBBER FOOTWEAR FROM OTHER MAJOR EXPORTING COUNTRIES HAVE INCREASED RAPIDLY TO THE DISADVANTAGE OF PRODUCERS IN THE REPUBLIC OF CHINA.

11. ANY RIGHTS OF TRADE RETALIATION THAT THE GOVERNMENT LIMITED OFFICIAL USE

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OF THE REPUBLIC OF CHINA MAY HAVE UNDER EXISTING TREATIES OR COMMERICAL ARRANGEMENTS WILL NOT BE EXERCISED WITH RESPECT TO MEASURES TAKEN BY THE UNITED STATES PURSUANT TO THESE NOTES.

12. THE TWO GOVERNMENTS MAY AMEND THE PROVISIONS OF THESE NOTES IF SUCH AMENDMENTS ARE MUTUALLY AGREEABLE.

13. NO PROVISION OF THESE NOTES WILL BE CONSTRUED AS APPLYING TO PRICES OR PRODUCTION OF NON-RUBBER FOOTWEAR, OR ALLOCATION OF SHIPMENTS AMONG FIRMS BUYING OR SELLING NON-RUBBER FOOTWEAR (EXCEPT THAT IT IS RECOGNIZED THAT SUCH ALLOCATIONS MAY BE DEEMED NECESSARY AND THEREFORE DIRECTED BY THE GOVERNMENT OF THE REPUBLIC OF CHINA IN ITS IMPLEMENTATION OF THE PROVISIONS OF THESE NOTES).

14. EITHER GOVERNMENT MAY TERMINATE THE PROVISIONS OF THESE NOTES BY GIVING SIXTY DAYS PRIOR WRITTEN NOTICE TO

THE OTHER GOVERNMENT.

15. THE FOREGOING PROVISIONS OF THESE NOTES WILL BE IMPLEMENTED BY THE TWO GOVERNMENTS IN ACCORDANCE WITH THE LAWS AND REGULATIONS APPLICABLE IN THEIR RESPECTIVE COUNTRIES.

16. ANNEX A

THE FOLLOWING ITEMS FROM THE TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (AS REVISED MAY 1, 1976) ARE COVERED BY THE PROVISIONS OF THE AGREEMENT:

FOOTWEAR PROVIDED FOR IN ITEMS 700.05 THROUGH 700.85, INCLUSIVE (EXCEPT ITEMS 700.51, 700.52, 700.53, 700.54, 700.60, 700.75, AND DISPOSABLE FOOTWEAR DESIGNED FOR ON-TIME USE PROVIDED FOR IN ITEM 700.85), OF THE TARIFF SCHEDULES OF THE UNITED STATES LIMITED OFFICIAL USE

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(TSUS).

17. ANNEX B

THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL APPLY RESTRAINTS ON EXPORTS TO THE UNITED STATES OF NON-RUBBER FOOTWEAR AS DEFINED IN ANNEX A DURING THE PERIOD SPECIFIED AT THE LEVELS INDICATED.

EXPORTS FOR PERIOD
(MILLION PAIRS)

CATEGORY	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4
----------	----------	----------	----------	----------

T1 LEATHER 1&	9.76	10.0	10.24	10.48
T2 PLASTIC 2&	104.68	107.25	109.82	112.40
T3 OTHER 3&	7.56	7.75	7.94	8.12

TOTAL	122.00	125.00	128.00	131.00
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1& CATEGORY T1 CONSISTS OF LEATHER FOOTWEAR PROVIDED FOR IN TSUS ITEM NUMBERS 700.05 THROUGH 700.45, INCLUSIVE.

2& CATEGORY T2 CONSISTS OF PLASTIC FOOTWEAR PROVIDED FOR IN TSUS ITEM NUMBER 700.58.

3& CATEGORY T3 CONSISTS OF FOOTWEAR OF OTHER MATERIALS PROVIDED FOR IN TSUS ITEM NUMBERS 700.66, 700.68, 700.70, 700.80, 700.83, AND 700.85 (EXCEPT 700.8510).

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ACTION EB-07

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SP-02 STR-04 TRSE-00 FRB-03 OMB-01 SS-15 NSC-05
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-----141706Z 003933 /41

O 141605Z MAY 77

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC IMMEDIATE 3566

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18. I HAVE FURTHER THE HONOUR TO REQUEST YOU TO CONFIRM ON BEHALF OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA THAT IT WILL IMPLEMENT ITS MEASURES AND OBLIGATIONS UNDER THE ABOVE PROVISIONS, AND TO PROPOSE THAT THIS NOTE AND YOUR EXCELLENCY'S NOTE IN REPLY WILL CONSTITUTE AN AGREEMENT BETWEEN THE TWO GOVERNMENTS AS CHARACTERIZED BY THE ABOVE PROVISIONS.

ACCEPT, EXCELLENCY, THE RENEWED ASSURANCES OF MY HIGHEST CONSIDERATION.

19. (NOTE TO BE PRESENTED BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA)

EXCELLENCY:

I HAVE THE HONOR TO ACKNOWLEDGE THE RECEIPT OF YOUR EXCELLENCY'S NOTE OF TODAY'S DATE WHICH READS AS FOLLOWS:
(INSERT TEXT OF NOTE BY GOVERNMENT OF REPUBLIC OF CHINA)

I HAVE FURTHER THE HONOR TO CONFIRM ON BEHALF OF THE
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UNITED STATES OF AMERICA THAT IT WILL IMPLEMENT ITS MEASURES AND OBLIGATIONS UNDER THE ABOVE PROVISIONS AND TO AGREE THAT YOUR EXCELLENCY'S NOTE AND THIS NOTE WILL CONSTITUTE AN AGREEMENT BETWEEN THE TWO GOVERNMENTS AS CHARACTERIZED IN THE ABOVE PROVISIONS.

ACCEPT, EXCELLENCY, THE RENEWED ASSURANCES OF MY HIGHEST CONSIDERATION.

20. AGREED MINUTES

THE REPRESENTATIVES OF THE GOVERNMENT OF THE REPUBLIC OF CHINA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA WISH TO RECORD THE FOLLOWING UNDERSTANDING CONCERNING THE NOTES EXCHANGED ON , 1977.

1. IT IS UNDERSTOOD THAT PARAGRAPH 10 INCLUDES COUNTRIES THAT AGREE TO LIMIT EXPORTS OF NON-RUBBER FOOTWEAR TO THE UNITED STATES AT APPROXIMATELY THE SAME TIME THAT THE REPUBLIC OF CHINA UNDERTAKES SUCH AN AGREEMENT.

2. IN ACCORDANCE WITH ASSURANCES THAT HAVE BEEN RECEIVED BY THE GOVERNMENT OF THE UNITED STATES, IT IS UNDERSTOOD THAT THERE WILL NOT, AS A RESULT OF THIS AGREEMENT, BE MAJOR SHIFTS AWAY FROM THE NORMAL PATTERN OF EXPORTS TO THE UNITED STATES IN NON-RUBBER FOOTWEAR BY TYPE, MATERIAL, OR PRICE RANGE. IT IS FURTHER UNDERSTOOD THAT SHIFTS IN EXPORTS OF NON-RUBBER FOOTWEAR AMONG TYPES, MATERIALS, AND PRICE RANGES THAT REFLECT MARKET TRENDS IN THE UNITED STATES WILL NOT BE CONSIDERED MAJOR SHIFTS IN THE SENSE OF THIS PARAGRAPH.

3. IT IS UNDERSTOOD THAT IN THE EVENT THAT THE GOVERNMENT OF THE UNITED STATES CONSIDERS THAT MAJOR SHIFTS OF THE TYPE DESCRIBED IN THE PRECEDING AGREED MINUTE HAVE OCCURRED, IT MAY INITIATE CONSULTATIONS WITH A VIEW TOWARD THE PROMPT RESOLUTION OF SUCH PROBLEMS.

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4. IN THE TECHNICAL ADMINISTRATION OF THE AGREEMENT EMBODIED IN THESE NOTES, THE GOVERNMENT OF THE UNITED STATES WILL BE GUIDED GENERALLY BY THE PROCEDURES USED TO IMPLEMENT THE AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF CHINA REGARDING INTERNATIONAL TRADE IN TEXTILES.

21. (LETTER I)

(FROM THE GOVERNMENT OF THE REPUBLIC OF CHINA
TO THE GOVERNMENT OF THE UNITED STATES OF
AMERICA)

EXCELLENCY:

ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF CHINA,
I HAVE THE HONOR TO INFORM YOU THAT THE GOVERNMENT OF THE
REPUBLIC OF CHINA DOES NOT EXPECT THAT THE AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA AND THE REPUBLIC OF CHINA REGARD-
ING TRADE IN NON-RUBBER FOOTWEAR WILL BE EXTENDED BEYOND ITS
INTENDED EXPIRATION ON JUNE 30, 1981, AND THAT THE GOVERNMENT
OF THE REPUBLIC OF CHINA DOES NOT FAVOR SUCH AN EXTENSION.

22. (LETTER II)

(FROM THE GOVERNMENT OF THE UNITED STATES OF
AMERICA TO THE GOVERNMENT OF THE REPUBLIC OF
CHINA)

EXCELLENCY:

ON BEHALF OF THE GOVERNMENT OF THE UNITED STATES, I
HAVE THE HONOR TO INFORM YOU THAT SEVERAL SMALL UNITED
STATES FIRMS HAVE EXPRESSED CONCERN REGARDING THE ISSUANCE
OF EXPORT VISAS FOR NON-RUBBER FOOTWEAR. IT IS MY UNDER-
STANDING THAT, IN THE ADMINISTRATION AND ALLOCATION OF
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EXPORT VISAS, THE GOVERNMENT OF THE REPUBLIC OF CHINA WILL
TAKE INTO ACCOUNT THE INTERESTS OF SMALL FIRMS.

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SP-02 STR-04 TRSE-00 FRB-03 OMB-01 SS-15 NSC-05
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FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC IMMEDIATE 3567

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23. (LETTER II)

(FROM THE GOVERNMENT OF THE REPUBLIC OF CHINA
TO THE GOVERNMENT OF THE UNITED STATES OF
AMERICA)

EXCELLENCY:

ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF CHINA,
I HAVE THE HONOR TO REFER TO YOUR LETTER CONCERNING THE
ADMINISTRATION AND ALLOCATION OF EXPORT VISAS, AND TO TAKE
NOTE OF THE VIEWS EXPRESSED THEREIN.

24. (LETTER III)

(FROM THE GOVERNMENT OF THE REPUBLIC OF CHINA TO
THE GOVERNMENT OF THE UNITED STATES OF AMERICA)

EXCELLENCY:

ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF CHINA,
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I HAVE THE HONOR TO ASSURE YOU THAT THE GOVERNMENT OF THE
REPUBLIC OF CHINA IS AWARE OF THE SENSITIVITY OF THE UNITED
STATES MARKET TO IMPORTS OF NON-RUBBER FOOTWEAR MANUFACTURED
WITH POLYURETHANE. I FURTHER HAVE THE HONOR TO ASSURE YOU
THAT ANY INCREASES IN EXPORTS OF POLYURETHANE FOOTWEAR FROM
THE REPUBLIC OF CHINA TO THE UNITED STATES WILL TAKE PLACE
AT A MODERATE RATE, AND THAT THERE WILL BE NO LARGE-SCALE
SHIFTING FROM VINYL FOOTWEAR TO POLYURETHANE FOOTWEAR AMONG
EXPORTS FROM THE REPUBLIC OF CHINA TO THE UNITED STATES.
THE GOVERNMENT OF THE UNITED STATES MAY INITIATE CONSULTATIONS
WITH RESPECT TO THE MATTER DESCRIBED HEREIN WITH A VIEW TO
RESOLVING ANY PROBLEMS ARISING THEREFROM.

25. (LETTER IV)

(FROM THE GOVERNMENT OF THE UNITED STATES OF
AMERICA TO THE GOVERNMENT OF THE REPUBLIC OF CHINA)

EXCELLENCY:

ON BEHALF OF THE GOVERNMENT OF THE UNITED STATES OF

AMERICA, I HAVE THE HONOR TO INFORM YOU THAT THE GOVERNMENT OF THE UNITED STATES CURRENTLY IS MONITORING, AND WILL CONTINUE TO MONITOR, FOOTWEAR IMPORTS ACCORDING TO THE CATEGORIES SET FORTH IN THE ANNEX TO THIS LETTER. I FURTHER HAVE THE HONOR TO INFORM YOU THAT THE GOVERNMENT OF THE UNITED STATES MAY TAKE SUCH CATEGORIES INTO ACCOUNT IN ANY CONSULTATIONS THAT MAY BE INITIATED PURSUANT TO PARAGRAPHS 2 AND 3 OF THE AGREED MINUTES TO THE AGREEMENT BETWEEN THE REPUBLIC OF CHINA AND THE UNITED STATES REGARDING TRADE IN NON-RUBBER FOOTWEAR.

(THE MONITORING CATEGORIES ARE ATTACHED)

END TEXT

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THE FOLLOWING LETTER WHICH IS TO BE TRANSMITTED FROM WONG TO LANDE IS NOT OFFICIALLY A PART OF THE OMA:

MR. STEPHEN LANDE
ASSISTANT SPECIAL TRADE REPRESENTATIVE
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20506

DEAR STEVE:

AS YOU KNOW, THE AFFIRMATIVE INJURY FINDING OF THE UNITED STATES INTERNATIONAL TRADE COMMISSION WITH RESPECT TO IMPORTS OF NON-RUBBER FOOTWEAR DID NOT INCLUDE FOOTWEAR UPPERS OR OTHER FOOTWEAR PARTS. ACCORDINGLY, WE HAVE NEITHER FORMALLY NOR INFORMALLY DISCUSSED RESTRAINTS ON THE EXPORT OF FOOTWEAR UPPERS IN OUR RECENT NEGOTIATIONS LEADING TOWARD AN ORDERLY MARKETING AGREEMENT COVERING OUR EXPORT OF NON-RUBBER FOOTWEAR.

I UNDERSTAND, HOWEVER, YOUR CONCERN THAT NEGOTIATED RESTRAINTS ON EXPORTS OF NON-RUBBER FOOTWEAR COULD THEORETICALLY LEAD TO DRAMATIC INCREASES IN EXPORTS OF FOOTWEAR UPPERS, WHICH IN TURN COULD TEND TO UNDERMINE THE EFFECTIVENESS OF THE NEGOTIATED RESTRAINTS. I DO NOT BELIEVE THAT THIS WILL OCCUR IN OUR CASE. NEVERTHELESS, BECAUSE WE WISH TO DEMONSTRATE OUR SINCERITY AND GOOD FAITH IN IMPLEMENTING THE AGREEMENT THAT YOU AND I HAVE WORKED HARD TO COMPLETE, I WOULD LIKE TO ASSURE YOU THAT IT IS NOT THE INTENTION OF THE REPUBLIC OF CHINA TO INCREASE EXPORTS OF FOOTWEAR UPPERS IN A WAY THAT WOULD DISRUPT THE UNITED STATES MARKET OR UNDERMINE THE EFFECTIVENESS OF THE AGREEMENT BETWEEN OUR GOVERNMENTS REGARDING TRADE IN NON-RUBBER FOOTWEAR.

WITH BEST WISHES, I AM

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SINCERELY YOURS,

Y. T. WONG
DIRECOTR, BOARD OF
FOREIGN TRADE
REPUBLIC OF CHINA

UNGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOOTWEAR, TEXT, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TAIPEI02806
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770171-0538
Format: TEL
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770557/aaaabwqa.tel
Line Count: 672
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1232d593-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 13
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 03-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2517932
Secure: OPEN
Status: NATIVE
Subject: NON-RUBBER FOOTWEAR OMA WITH THE REPUBLIC OF CHINA BELOW IS TEXT OF OMA ON NON-RUBBER FOOTWEAR WITH THE GOVERN- MENT OF THE REPUBLIC OF CHINA INITIA TED MAY 14 BY
TAGS: ETRD, TW, US
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/1232d593-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
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Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009